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OUR TOP 10 THROUGH HISTORY — PAGE 8

American Banker

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TODAY

BY BECOMING THE FIRST major domestic or foreign player to solicit mail-in deposits, the Chase Manhattan Bank of Canada just may have found the key to Canadian profitability..... 2

UNITED BANK OF DENVER said the FBI is investigating the bizarre theft of about $2.5 million in negotiable securities from the bank last Wednesday. In the course of the theft, an unidentified assailant, who was believed to have a gun, took the manager of the bank's securities department hostage..... 2

CONGRESS WILL SEE to it that Edwin J. Gray, chairman of the Federal Home Loan Bank Board, gets his way regarding limits on direct investments by thrifts, according to congressional staffers..... 2

THE MARINE CORP., Milwaukee, has become the second out-of-state bank to crack the Chicago market in the wake of new regional interstate banking laws by acquiring a bank there..... 3

MARKETING TODAY

ALTHOUGH DEREGULATION has been a fact of life for several years, the banking industry will continue to change dramatically during the next five years, according to a new study by the MAC Group, an international management consulting firm based in Cambridge, Mass..... 7

THE PRIVATE BANKING group of Summit Bancorp's Chatham Trust Co. sends a message to its affluent customers by operating out of a turn-of-the-century mansion built on what was known as "Millionaires' Row" near Morristown, N.J..... 7

ONE OF THE HOTTEST books around the Detroit area these days is a 32-page booklet on the Tax Reform Act of 1986, being distributed exclusively by NBD Bancorp, Michigan's largest bank holding company..... 7

IN AN ATTEMPT TO FIND a balance between bank needs and employee rights, the Bank Administration Institute, together with the testing service London House Inc., Park Ridge, Ill., has developed a paper-and-pencil test for job applicants that it bills as reliable, easy to administer, and less intrusive than a polygraph or a urinalysis..... 16

Executive Changes..... 5

In the News..... 3

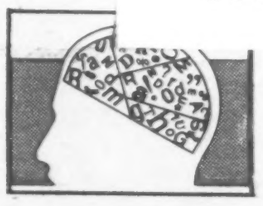
Quote

In order to rationalize their own behavior, they tend to think everybody steals. They think, 'I do it less than others, so I can live with myself.' The employee-thief is going to look at a question like, 'How much did you steal?' and say, 'If I say $0, they're going to know I'm lying; I've taken $1,000, but if I answer $250, I won't look so bad.'

William H. Hanton, manager of management advisory services for the Bank Administration Institute, which has developed a test for banks to screen job applicants. [Page 16]

Unquote

Random Thoughts



By SANFORD ROSE

Richard Lodge, a senior vice president of Banc One of Ohio, has created a certain amount of discomfort for many CEOs of banks that have affiliated with the Columbus-based institution. That's because Mr. Lodge, an investment type, insists on "turning" his portfolio in order to maximize its total rate of return.

Many traditional bankers are fixated on the accrual rate on bonds and thus are prone to ignore the need for active portfolio management. They look askance at the taking of capital gains and, equally important, capital losses. Indeed, in common with some misguided analysts and accountants, these bankers tend to regard securities profits as "dirty earnings."

Thus some CEOs of banks newly bought by Banc One are initially upset when, as of the date of the acquisition, Mr. Lodge almost routinely sells out the entire bond portfolio of the purchased institution, regardless of whether that portfolio is high yielding or low yielding. "Why are you taking us out of a portfolio yielding 12% in an environ-

Random Thoughts: Page 4 ➳

Commercial Banks Make Their Mark In Mergers and Acquisitions Business

By ANDREW ALBERT

NEW YORK — The chief of mergers and acquisitions at Bankers Trust New York Corp. says his unit's 1986 business volume — in terms of total value of deals completed — is about triple last year's level.

'86 preview '87

A Series of Articles Looking Back and Ahead At Issues Facing the Financial Services Industry

Merger specialists at First Chicago Corp. have seen a big boost in their fee income as a result of completing 50% more deals this year than last. Citicorp also reports significant increases in the volume of its merger and acquisition advisory business in 1986. And officials at Manufacturers Hanover Corp. say the yearend rush to wrap up pending business has weary professionals there "functioning on very little sleep, a lot of coffee, and hope for some much-needed time off next year."

Never mind that the merger business boomed in 1986. That was widely expected once Congress voted to raise the capital gains tax beginning Jan. 1, making it more profitable to sell corporate assets this year than next.

What's more noteworthy is that commercial banking companies finally made a name for themselves as merger and acquisition advisers. After years of stops and starts, they proved they could handle some of the year's larger and more difficult transactions.

Most bank officials acknowledge that their 1986 bottom line was bolstered by a late flood of tax-motivated sales. What remains to be seen is whether the banks can continue to progress in the merger business next year, when no artificial tax reasons will apply.

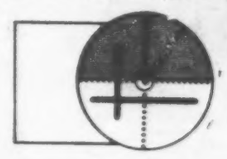
"Probably everyone is worrying about that a little bit, myself included," said Andrew Robertson, a vice presi-

Mergers: Page 14 ➳

Fleet to Buy Big Servicer of Student Loans

By JEFFREY KUTLER

NEW YORK — The Fleet Financial Group has reached an agreement in principle to acquire AFSA Enterprises, one of the nation's largest processors of student loans, the two companies announced Monday.



Corporate Strategy

Fleet, an $11 billion-asset bank holding company based in Providence, R.I., said it expected to complete the cash purchase by Dec. 31. That is one day before the new tax rules take effect, making corporate acquisitions less financially attractive.

J. Terrence Murray, chairman and chief executive officer of Fleet, said the company intends to diversify fur-

Fleet: Page 15 ➳

How the Top 10 Firms Were Treated by Time

By THERESIA TREPEL

NEW YORK — The *American Banker* goes back in time today to publish the industry rankings of the top 10 firms in commercial banking, the thrift industry, mortgage banking, and the finance company industry over the past 86 years. The tables on pages 8 and 9 show:

- The top 10 commercial banks in the United States ranked by deposits at six different dates in this century: June 30, 1900; Dec. 31, 1925; June 30, 1959; June 30, 1975; June 30, 1981; and June 30, 1986.
- The top 10 bank holding companies ranked by assets on three dates: Dec. 31, 1976; Dec. 31, 1981; and June 30, 1986.
- The top 10 banks in the world

Rankings: Page 10 ➳

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Over the Years: Amer

Compiled by America

Top 10 Commercial Banks in the United States

Based on Deposits (in Millions of Dollars)

June 30, 1900

	Deposits
1. National City Bank, New York	130
2. National Bank of Commerce, New York	65
3. National Park Bank, New York	65
4. Hanover National Bank, New York	60
5. Chase National Bank, New York	52
6. First National Bank, Chicago	50
7. Western National Bank, New York	49
8. First National Bank, New York	45
9. Fourth National Bank, New York	33
10. Merchants' National Bank, New York	33

December 31, 1925

	Deposits
1. National City Bank, New York	922
2. Chase National Bank, New York	565
3. Guaranty Trust Co., New York	548
4. National Bank of Commerce, New York	544
5. Continental & Commercial Bank, Chicago	428
6. Equitable Trust Co., New York	419
7. Bankers Trust Co., New York	406
8. Bank of Italy, San Francisco	389
9. Illinois Merchants Trust Co., Chicago	381
10. Irving Bank-Col. Trust Co., New York	356

June 30, 1950

	Deposits
1. Bank of America NT&SA, San Francisco, Calif	5,919
2. National City Bank of New York	4,594
3. Chase National Bank, New York	4,299
4. Guaranty Trust Co., New York	2,335
5. First National Bank, Chicago	2,195
6. Continental Illinois National B&T Co., Chicago	2,114
7. Manufacturers Trust Co., New York	2,101
8. Security First National Bank, Los Angeles	1,588
9. Central Hanover B&T Co., New York	1,400
10. Chemical B&T Co., New York	1,390

June 30, 1975

	Deposits
1. Bank of America NT&SA, San Francisco	53,926
2. First National City Bank, New York	47,116
3. Chase Manhattan Bank NA, New York	34,214
4. Manufacturers Hanover Trust Co., New York	23,182
5. Chemical Bank, New York	19,228
6. Morgan Guaranty Trust Co., New York	18,626
7. Bankers Trust Co., New York	15,062
8. First National Bank, Chicago	13,821
9. Continental Illinois NB&T Co., Chicago	13,699
10. Security Pacific National Bank, Los Angeles	11,636

June 30, 1981

	Deposits
1. Bank of America NT&SA, San Francisco	92,415
2. Citibank NA, New York	75,604
3. Chase Manhattan Bank NA, New York	60,794
4. Manufacturers Hanover Trust Co., New York	44,474
5. Morgan Guaranty Trust Co., New York	38,435
6. Chemical Bank, New York	31,744
7. Continental Illinois NB&T Co., Chicago	28,024
8. Bankers Trust Co., New York	23,119
9. First National Bank, Chicago	22,427
10. Security Pacific National Bank, Los Angeles	22,093

June 30, 1986

	Deposits
1. Citibank NA, New York	96,265
2. Bank of America NT&SA, San Francisco	88,639
3. Chase Manhattan Bank NA, New York	58,911
4. Manufacturers Hanover Trust Co., New York	45,379
5. Morgan Guaranty Trust Co., New York	42,150
6. Chemical Bank, New York	34,896
7. Wells Fargo Bank NA, San Francisco	32,583
8. Security Pacific National Bank, Los Angeles	32,464
9. Bankers Trust Co., New York	28,666
10. First National Bank, Chicago	24,830

Top 10 Bank Holding Companies

Based on Assets (In Millions of Dollars)

December 31, 1976

	Assets
1. BankAmerica Corp., San Francisco	73,913
2. Citicorp, New York	64,282
3. Chase Manhattan Corp., New York	45,638
4. Manufacturers Hanover Corp., New York	31,483
5. J.P. Morgan & Co., Inc., New York	28,766
6. Chemical New York Corp	26,614
7. Bankers Trust New York Corp	22,249
8. Continental Illinois Corp., Chicago	21,975
9. First Chicago Corp	19,834
10. Western Bancorp., Los Angeles	19,672

December 31, 1981

	Assets
1. BankAmerica Corp., San Francisco	121,158
2. Citicorp, New York	119,232
3. Chase Manhattan Corp., New York	76,838
4. Manufacturers Hanover Corp., New York	59,109
5. J.P. Morgan & Co., Inc., New York	53,522
6. Continental Illinois Corp., Chicago	46,972
7. Chemical New York Corp	44,917
8. First Interstate Bancorp., Los Angeles	36,982
9. Bankers Trust New York Corp.	34,213
10 First Chicago Corp	33,562

June 30, 1986

	Assets
1. Citicorp, New York	183,388
2. BankAmerica Corp., San Francisco	117,314
3. Chase Manhattan Corp., New York	90,610
4. Manufacturers Hanover Corp., New York	75,574
5. J.P Morgan & Co., New York	72,664
6. Chemical New York Corp	56,900
7. Security Pacific Corp., Inc., Los Angeles	53,634
8. Bankers Trust New York Corp	52,400
9. First Interstate Bancorp., Los Angeles	49,230
10. Well Fargo & Co., San Francisco	43,563

Top 10 Banks in the World

Based on Deposits (In Millions of Dollars)

December 31, 1956

	Deposits
1. Bank of America NT&SA, San Francisco	8,937
2. Chase Manhattan Bank, New York	6,694
3. First National City Bank, New York	6,614
4. Midland Bank Ltd., London	4,038
5. Barclays Bank Ltd., London	3,913
6. Royal Bank of Canada, Montreal	3,440
7. Lloyds Bank Ltd., London	3,348
8. Chemical Com Exchange Bank, New York	2,729
9. Bank of Montreal	2,716
10. Manufacturers Trust Co., New York	2,663

December 31, 1971

	Deposits
1. Bank of America NT&SA, San Francisco	29,101
2. First National City Bank, New York	24,369
3. Chase Manhattan Bank NA, New York	20,374
4. Barclays Bank Ltd., London	16,297
5. Naticnal Westminster Bank Ltd., London	15,489
6. Banque Nationale de Paris	15,399
7. Dai-Ichi Kangyo Bank, Ltd., Tokyo	15,218
8. Deutsche Bank, Frankfurt, W. Germany	14,235
9. Banca Nazionale del Lavoro, Rome	13,283
10. Credit Lyonnais, Paris	13,025

December 31, 1985

	Deposits
1. Dai-Ichi Kangyo Bank Ltd., Tokyo	124,646
2. Fuji Bank, Ltd., Tokyo	109,736
3. Sumitomo Bank Ltd., Osaka	108,531
4. Mitsubishi Bank Ltd., Tokyo	102,814
5. Banque Nationale de Paris	102,549
6. Sanwa Bank, Ltd., Osaka	99,051
7. Credit Lyonnais, Paris	95,744
8. Citibank NA, New York	94,386
9. Norinchukin Bank, Tokyo	93,197
10. Industrial Bank of Japan, Ltd., Tokyo	89,741

...can Banker's 'TOP 10'

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Top 10 Savings Banks

Based on Deposits (In Millions of Dollars)

December 31, 1965

	Deposits
1. Bowery Savings Bank, New York	2,211
2. Dime Savings Bank, Brooklyn, New York	1,667
3. Philadelphia Saving Fund Society	1,657
4. New York Bank for Savings	1,556
5. Emigrant Industrial Savings Bank, New York	1,377
6. Dollar Savings Bank, Bronx, New York	1,037
7. Williamsburgh Svgs Bank, Brooklyn, New York	1,021
8. Greenwich Savings Bank, New York	860
9. Lincoln Savings Bank, Brooklyn, New York	788
10. Seaman's Bank for Savings, New York	778

December 31, 1975

	Deposits
1. Bowery Savings Bank, New York	3,762
2. Philadelphia Saving Fund Society	3,644
3. Dime Savings Bank of New York, Brooklyn	3,368
4. New York Bank for Savings	2,735
5. Dollar Savings Bank, Bronx, New York	2,062
6. Emigrant Savings Bank, New York	1,973
7. Greenwich Savings Bank, New York	1,823
8. Williamsburgh Svgs Bank, Brooklyn, New York	1,700
9. Lincoln Savings Bank, Brooklyn, New York	1,645
10. Buffalo Savings Bank, N.Y	1,577

December 31, 1985

	Deposits
1. Philadelphia Saving Fund Society	12,970
2. Goldome FSB, Buffalo, N.Y.	9,664
3. CrossLand Savings FSB, Brooklyn, New York	6,971
4. Dime Savings Bank of New York FSB	6,732
5. Great American First Savings Bank, San Diego	5,891
6. Anchor Savings Bank FSB, Northport, N.Y.	5,871
7. Bowery Savings Bank, New York	5,044
8. Sears Savings Bank, Glendale, Calif.	4,944
9. Empire of America FSB, Buffalo, N.Y.	4,909
10. Dollar-Dry Dock SB, Bronx, New York	4,398

Top 10 Savings and Loan Associations

Based on Deposits (In Millions of Dollars)

December 31, 1965

	Deposits
1. Home Savings & Loan Assn., Los Angeles	1,706
2. American S&L Assn. of Calif., San Jose	992
3. California Federal S&L Assn., Los Angeles	973
4. Great Western S&L Assn., Los Angeles	628
5. Glendale Federal Savings & Loan Assn., Calif.	608
6. American Savings & Loan Assn., Whittier, Calif.	574
7. Coast Federal S&L Assn., Los Angeles	570
8. First Federal Savings & Loan Assn., Detroit	540
9. Twin City Federal S&L Assn., Minneapolis	535
10 First Savings & Loan Assn., Oakland, Calif.	474

December 31, 1975

	Deposits
1. Home Savings & Loan Assn., Los Angeles	5,336
2. Great Western S&L Assn., Beverly Hills, Calif.	4,232
3. American S&L Assn., Beverly Hills, Calif.	4,096
4. California Federal S&L Assn., Los Angeles	2,569
5. Glendale Federal Savings & Loan Assn., Calif.	1,878
6. Imperial Savings & Loan Assn., San Francisco	1,652
7. First Federal Savings & Loan Assn., Detroit	1,555
8. Gibralter S&L Assn., Beverly Hills, Calif.	1,534
9. Citizens Savings & Loan Assn., San Francisco	1,439
10. First Federal Savings & Loan Assn., Miami	1,362

December 31, 1985

	Deposits
1. Home Savings of America, FA, Irwindale, Calif.	19,486
2. Great Western Savings, FS&LA, Beverly Hills	17,455
3. American S&L Assn., Stockton, Calif.	17,434
4. California Federal S&L Assn., Los Angeles	13,045
5. Glendale Federal Savings & Loan Assn., Calif.	10,982
6. First Nationwide Svgs, FS&LA, San Francisco	8,802
7. World Savings, FS&LA, Oakland, Calif.	7,599
8. Home Fed. S&L Assn. of San Diego, Calif.	7,427
9. City Federal S&L Assn., Elizabeth, N.J.	6,469
10. Gibraltar Savings, Beverly Hills	6,198

Top 10 Finance Companies

Based on Total Capital Funds (In Millions of Dollars)

December 31, 1965

	Cap. Funds
1. General Motors Acceptance Corp., New York	1,009
2. C.I.T. Financial Corp., New York	745
3. Commercial Credit Co., Baltimore	572
4. Beneficial Finance Co., Wilmington, Del.	444
5. Associates Investment Co., South Bend, Ind.	342
6. Household Finance Corp., Chicago	336
7. Ford Motor Credit Co., Dearborn, Mich.	254
8. Sears Roebuck Accept. Cp, Wilmington, Del	232
9. General Electric Credit Corp., New York	196
10. Pacific Finance Corp., Los Angeles	181

December 31, 1975

	Cap. Funds
1. General Motors Acceptance Corp., New York	2,216
2. Ford Motor Credit Co., Dearborn, Mich.	1,499
3. Household Finance Corp., Chicago	1,011
4. C.I.T. Financial Corp., New York	925
5. Sears Roebuck Accept. Corp., Wilmington, Del.	917
6. Beneficial Corp., Wilmington, Del.	774
7. General Electric Credit Corp., New York	750
8. Commercial Credit Co., Baltimore	740
9. Chrysler Financial Corp., Troy, Mich.	711
10. Associates Corp. of No. America, New York	545

December 31, 1985

	Cap. Funds
1. General Motors Acceptance Corp., Detroit	6,563
2. Ford Motor Credit Co., Dearborn, Mich.	3,270
3. Chrysler Financial Corp., Troy, Mich.	2,791
4. General Electric Credit Corp., Stamford, Conn.	2,253
5. Sears Roebuck Accept. Corp., Wilmington, Del.	2,199
6. C.I.T. Financial Corp., Livingston, N.J.	1,592
7. Associates Corp. of No. America, Dallas	1,372
8. Household Financial Svcs, Prospect Heights, Ill	1,371
9. ITT Financial Corp., St. Louis, Mo.	1,277
10. Avco Financial Svcs, Inc., Newport Beach, Calif	1,167

Top 10 Mortgage Companies

Based on Servicing (In Millions of Dollars)

June 30, 1976

	Servicing
1. Lomas & Nettleton Fin'l Corp., Dallas	5,197
2. Advance Mortgage Corp., Southfield, Mich.	2,794
3. Colonial Mortgage Service Co., Philadelphia	2,644
4. Cameron-Brown Co., Raleigh, N.C.	1,929
5. Western Mortgage Corp., Los Angeles	1,904
6. Pennamco, Inc., Washington, D.C.	1,870
7. Kissell Co., Springfield, Ohio	1,837
8. Nat'l Homes Accept. Corp., Lafayette, Ind.	1,775
9. Stockton, Whatley, Davin & Co., Jacksonville	1,657
10. James T. Barnes & Co., Detroit	1,547

June 30, 1981

	Servicing
1. Lomas & Nettleton Fin'l Corp., Dallas	11,689
2. Manufacturers Han Mtge Cp, Farmington Hills	5,227
3. Banco Mortgage Co., Minneapolis	5,136
4. Advance Mortgage Corp., Southfield, Mich.	4,516
5. Weyerhauser Mortgage Co., Los Angeles	4,432
6. Suburban Coastal Corp., Wayne, N.J.	4,380
7. Colonial Mortgage Service Co., Philadelphia	4,238
8. Wells Fargo Mortgage Co., San Francisco	4,000
9. Mason-McDuffie Co., Berkeley, Calif.	3,578
10. Chemical Mortgage Corp., Columbus, Ohio	3,554

June 30, 1986

	Servicing
1. GMAC Mortgage Co., Philadelphia	21,761
2. Lomas & Nettleton Fin'l Corp., Dallas	21,300
3. Citicorp Homeowners Services, Inc., St. Louis	15,024
4. Fireman's Fund Mtge. Corp., Farmington Hills	14,792
5. Metmor Financial, Inc., Los Angeles	11,655
6. Commonwealth Mtge of America Cp, Houston	11,413
7. Weyerhaeuser Mortgage Co., Los Angeles	10,755
8. 1st Interstate Mortgage Co., Pasadena, Ca.	9,117
9. Cameron-Brown Co., Charlotte, N.C.	8,890
10. Fleet Mortgage Corp., Milwaukee, Wis.	8,712